



# Send Helicopters for East Bosnia Wounded, UN Asks U.S.

**Compiled by Our Staff From Dispatches**  
**GENEVA** — United Nations relief officials appealed to Washington on Friday to send helicopters to evacuate the wounded from the Muslim town of Srebrenica in eastern Bosnia and to double the amount of food and medicine it is parachuting into the town.

The request was made hours before a UN aid convoy finally reached the town. It was not clear whether the success of the convoy would ease pressure for new American action.

Mr. Redmond said Mrs. Ogata had asked the United States, "as the main player in the airpods, to increase the metric tonnage to at least 60 metric tons a day and possibly to use heavy helicopters to evacuate the wounded as well as to provide supplies to the area."

In Bonn, German officials, responding to protests from Bosnian Serbs, said Friday that they had made no decision on whether to join the airpods.

Asked whether Bonn's decision would be influenced by the Bosnian Serbs' objection, Mr. Vogel said, "Certainly not."

## When to Deploy: U.S. Aides at Odds

**By Doyle McManus**  
*Los Angeles Times Service*  
**WASHINGTON** — The Clinton administration's first apparent internal dispute on a major foreign policy issue surfaced Friday, revealing that Secretary of State Warren M. Christopher and Defense Secretary Les Aspin are at odds on how to approach the politically explosive question of sending U.S. troops to Bosnia-Herzegovina.

Mr. Aspin, reflecting the caution of General Colin L. Powell and other members of the Joint Chiefs of Staff, wants to spell out strict conditions that would have to be met before U.S. forces were committed to enforce any negotiated peace agreement in Bosnia.

## CONVOY: Food to Bosnian Town

*(Continued from page 1)*  
and dying in the struggle to reach what little food was being dropped from U.S. aircraft at night.

## 2 Crewmen Hurt In Tanker Fire Off Dutch Coast

**AMSTERDAM** — Two crewmen were injured and one was missing after a tanker caught fire Friday in a busy shipping lane off the Netherlands, Dutch authorities said.



**SEEKING A WAY OUT IN PORT-AU-PRINCE** — A U.S. consulate security guard directing Haitians who are anxious to apply for political asylum in the United States. More than 100 applicants came to the consulate after a resident of their neighborhood reportedly was arrested and beaten by soldiers for possessing a photo of the exiled president, the Reverend Jean-Bertrand Aristide.

## Tokyo Eyes April 19 G-7 Talk

**TOKYO** — Japan expects to be host to a meeting of Group of Seven finance and foreign ministers around April 19 to discuss emergency aid to Russia, Foreign Minister Michio Watanabe said Friday.

## Italy Holds Chief Aide Of Liberals In Scandal

**ROME** — Attilio Bastianini, deputy head of the Liberal Party, one of Italy's governing coalition partners, was arrested Friday on corruption charges, the news agency ANSA reported.

## East Europe Asks U.S. Not to Silence Radio

**MUNICH** — News that the Clinton administration was considering a shutdown of the U.S. government-financed Radio Free Europe and Radio Liberty stations here in 1995 has set off an avalanche of protest from all over Eastern Europe and the former Soviet Union.

## PLANE: War Mood Rises

*(Continued from page 1)*  
intended to monitor nuclear activity in southern Europe, the Middle East, and Africa.

## WORLD BRIEFS

### Finnish President Won't Run Again

**HELSINKI** (Reuters) — President Martti Ahtisaari, 69, announced Friday, as expected, that he would not run for a third six-year term in Finland, which is in the grip of its deepest recession this century.

### 2 Whites Die in South Africa Attack

**JOHANNESBURG** (AP) — Two whites were killed and two were wounded Friday when black gangsters fired AK-47 rifles raked rush hour traffic, the police said. One person was arrested.

### Abortion Pill to Be Tested in U.S.

**PARIS** (AP) — An abortion pill will be tested on thousands of American women in hospitals and clinics, the drug's French manufacturer said Friday.

### Belgium Rejects Mobutu's Choice

**BRUSSELS** (AP) — The Belgian government on Friday criticized the appointment in Zaire of a new prime minister by President Mobutu Sese Seko and continued to back the prime minister chosen by the fledgling democratic institutions of the country.

### Judge Confirms N.Y. Post Purchase

**NEW YORK** (UPI) — A federal bankruptcy court judge confirmed Abraham Hirschfeld, a real-estate developer, on Friday as sole buyer of the New York Post, and said that anyone else wishing to buy the financially strapped daily newspaper would have to apply to Mr. Hirschfeld.

### For the Record

Romania's minority leftist government survived a no-confidence vote Friday. The senate leader, Olivia Ghizembar, announced a 200-hour result in the government's favor.

### TRAVEL UPDATE

Britain could have European-style cafes, selling alcohol and food, and more children in pubs under government plans announced Friday. Home Secretary Kenneth Clarke has proposed a new category of license allowing the sale of alcoholic drinks in cafe-style premises.

## India Sees a Sloppy Plot In Bombay Bombings

**By Steve Coll**  
*Washington Post Service*  
**NEW DELHI** — Indian police said Friday that they had identified most of the Bombay residents who planted the bombs that killed more than 250 people in India's commercial capital, and they described the attack as a sloppy terrorist conspiracy organized at least partly by a local Muslim family involved in organized crime.

The police have not disclosed any certain motive for the March 12 bombings and said that they still did not know whether the Bombay Muslim family members named as the principal suspects carried out the bombing attack on their own or for others.

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INTERNATIONAL Herald Tribune

Old Alliances, New Asia

North Korea's defiance of the world over nuclear inspections should remind Americans that peace in Asia cannot be taken for granted.

Unlike the Cold War treaties, collective security aims at maximum inclusion. All participating states agree to basic rules like respecting each other's borders.

Summers Can Contribute

Thursday's Senate Finance Committee hearing on Lawrence Summers's nomination to be undersecretary of the Treasury for international affairs involved more than a routine subcommittee appointment.

Summers favors dumping toxic wastes near where anybody lives, or thinks the places could be made better off with more toxic wastes.

A Test for Democrats

Trent Lott of Mississippi and fellow Senate Republicans are on the verge of attacking enough Democratic votes to scuttle a key component of President Bill Clinton's deficit-reduction plan.

Touching because families with incomes under \$32,000 and individuals with incomes less than \$25,000, more than three-quarters of retirees would be exempt.

Other Comment

Sending a Kennedy to Dublin

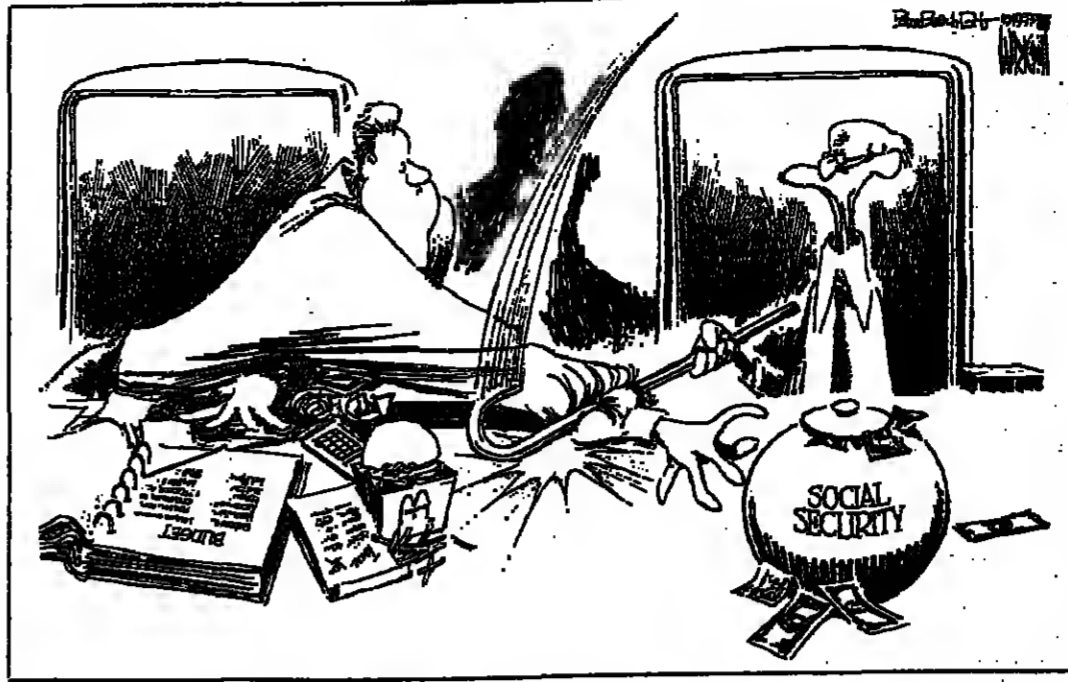
Thirty years after her brother made his triumphant presidential trip to Ireland, Jean Kennedy Smith has been appointed American ambassador to Dublin by President Clinton.

The present trend toward conciliation. Mrs. Smith should also support the efforts of Sir Patrick Mayhew, the Northern Ireland secretary, to reconcile the Anglo-Irish talks.

Yeltsin Deserves Support

By Jim Hoagland

WASHINGTON — The United States and its allies can do little to help Boris Yeltsin directly in his battle with Russian hard-liners.



recognizing the difference between progress and retrenchment, and working to achieve the former. Historical amnesia surfaces in editorial blasts at Mr. Yeltsin for supposedly enjoining a Russian 'Monroe Doctrine' for offering Russian peacekeeping forces for other former Soviet republics.

OPINION

How Israel Could Do With Less

By A. M. Rosenthal

NEW YORK — Israel economists in Jerusalem are beginning to talk about a brand new problem of aid from the United States — how and when to bring up the idea of getting not more but less.

Russians Will Have to Work This Out Themselves

By William Pfaff

PARIS — The argument over what to do for Boris Yeltsin assumes that something supplied from the outside can really help to bring constructive change to Russia.

domestic support. But, given the precarious balance of power in Russia, a Western rebuff could sink him. Support a coup in the name of democracy? There is no need to answer such a question in public.

Small Projects Can Do a Lot of Good

By Anthony Lewis

BOSTON — Gary Orren, professor of public policy at Harvard's Kennedy School, usually teaches and writes about elective politics.

Why? One reason is that we've lost the sense of community. People are too separate from each other. We look to big, remote institutions to solve our problems.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Plotters Betrayed NEW YORK — News reaches here of an unsuccessful attempt at a revolution in Nicaragua to overthrow President Saca.

1943: Russian Setaback LONDON — Outnumbered Russian troops battling against incessant German tank and infantry attacks were forced back again and lost two inhabited localities to the Nazis in bitter fighting on the southern front.

1918: Nearing Kharkov. PETROGRAD — The Austro-German forces yesterday [March 18] occupied several important points in the direction of Kharkov and Kursk.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen. LEE W. HUEBNER, Publisher. JOHN VINOCUR, Executive Editor. WALTER WELLS, News Editor. SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELL, Deputy Editors.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO. 1893: Plotters Betrayed. 1943: Russian Setaback. 1918: Nearing Kharkov.

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From Maastricht, Another Kind of Market Without Barriers



On sale or sold in Maastricht, clockwise: a Celtic "face" urn; a tapestry in Bernard Blondeel's display; two figures offered by Edward Lubin, and a portrait of the Biblical king Uzziah.



M AASTRICHT, Netherlands — Something has changed on the European scene. Economic troubles may be mounting, but where the art market is concerned, there is a buoyant mood that surprises even its participants here in the southernmost tip of the Netherlands.

As the European Fine Art Fair opened its doors to a private viewing, on March 12, a dense crowd eagerly went around its 159 stands. By the end of the first day of the fair, on March 13, attendance was 25 percent above last year. Even better, sales multiplied in the first hours, with Europeans pouncing on the star

SOUREN MELIKIAN

pieces right at the beginning. The trend affected even such a rarefied area as medieval and Renaissance art, admirably represented in this fair with a strong North European aesthetic orientation.

Edward Lubin of New York City, who leads the field in the United States, is participating for the second year running. He sums it up by saying that for him the start was twice as fast and twice as big as in 1992.

Jan Dirven of Antwerp, one of the world's top six dealers in medieval art, had brought a Romanesque pricket candlestick of the 12th century. Excavated a long time ago in Siegburg, it has a green patination that adds to its attraction. Mythical beasts look up at the viewer with snarling snouts at the tip of the three legs that support the shaft. The piece has the explosive vigor of German art, continuing the Ottonian tradition. A 160,000 guilder (\$86,000) price tag could have dampened enthusiasm, but didn't. The candlestick was bought by a Dutch collector who is an old client of Dirven's.

Enthusiasm spread to Baroque art. Jenny Zeborg and her daughter Grethe Zeborg, also of Antwerp, were displaying a remarkable silver-gilt cup from Nuremberg designed on a model conceived by Albrecht Dürer. Some 350 years ago, the piece, which was made by Heinrich Straub between 1608 and 1636, was in the collection of King Christian IV of Denmark. His son Valdemar took it to Moscow as a royal gift to Czar Michael, the founder of the Romanov dynasty whose daughter the young Daria married in 1644. The glamour of history proved too strong for a Briton from Hong Kong. He snatched the \$125,000 piece without flinching.

I N cases such as this, and even more so concerning some works from the Middle East and the Far East, it is difficult to determine whether the new buying mood or the unique character of the art played the predominant role. The latter, I suspect, prevailed when it came to one of the most extraordinary discoveries made since World War II.

This is a small rug decorated with confronted animals handled in a geometrical style that could be seen on the stand of Johnny Eskenazi of Milan. Carbon dating places it around 1210, give or take 45 years. It came out of Tibet, apparently from the same source as the only comparable piece known in the world, bought by the Metropolitan Museum a few years ago. The decoration ties in with Eastern Iranian design, as known through Sogdian silks of the seventh or eighth century and through Khorsasan pottery of the ninth and 10th century. Cut

up in sections, yet more beautiful than the New York rug, it was carried away within minutes of the opening by a German collector, its reported \$1 million price notwithstanding.

That combination of discovery and extraordinary quality had much the same impact on buyers who came to look at Chinese art on the stand of Gisèle Croës of Brussels. This is her second appearance at an international fair this season, after the early fall Paris Biennale, where she made a killing. If she feared that buyer fatigue might set in regarding early excavated bronzes tumbling out of China via Hong Kong, she must have been instantly reassured.

One of the most astonishing pieces of figural art to come out of China, a little man in a thick coat holding up a pricket candlestick, went on the opening night to a collector operating "in the middle range," as Croës puts it. Everything is relative — the bill amounts to \$136,000. For that price, the collector now owns a third-century B. C. object that will loom large in art books on early Chinese figuration.

If anything surpasses it in the way of discoveries, it is the group of four bronzes from the enigmatic Dian culture. The first artifacts from this non-Chinese civilization came to light three decades ago in Yunnan, now in Southern China although not yet entirely Sinoized. Total mystery surrounds the emergence of its art, the

tradition with its Protestant penchant for restraint.

The ultimate in this respect is perhaps achieved on the stand of the Antwerp dealer Bernard Blondeel, one of the world's leaders in medieval and Renaissance tapestries. In two rooms "built" of fabric partitions, each wall hung with one tapestry that does not fall in the ground. Soft lighting brings out the subtle hues — pale greens and yellows, touches of blue and carmine red. The gloom associated with medieval settings (cold stone walls, heavy dark furniture) gives way to the evocative poetry of Merlin the Magician. In low glass cases, a sprinkling of medieval objets d'art, in which Blondeel has been dealing as long as in tapestries, introduces a miniature-size counterpoint.

In other stands, the objects alone do the trick. There is no such sophisticated space and light construction at the Zurich dealer Fritz Payer's stand. But the dazzling glitter, literally and metaphorically, of Renaissance in Baroque silver-gilt vessels from Augsburg and Nuremberg is unforgettable. Displayed by the dozens, they are a reminder that the greatest in this category are not all locked up in museums or princely residences.

The fugue continues on the adjoining stand of his colleague Albrecht Neuhaus of Würzburg. There, it expands to include Baroque steel castles, the occasional study of skeletons walking — utterly surreal in the interpretation of the 16th-century Venetian Battista Franco, known as Semolei — or the portrait of a Biblical king, Uzziah, handled in a Rembrandt style. It was indeed sold at auction as a Rembrandt in Paris in 1801, before being rescribed in our century to his contemporary Govert Flinck. It has lost nothing of its grandeur, only a few nauhts to the price, set at \$140,000 — one fifth of what it takes to get an indifferent Pissarro. Together the two stands recapture the atmosphere of the "Renaissance cabinet de l'amateur" with its dual tribute to worldly magnificence and its transient nature.

The mood is buoyant and sales are brisk at the European Fine Art Fair, which combines discovery and extraordinary quality.

closest parallels to which are found in the Middle East.

For sheer beauty, the outstanding piece in the Croës group, priced at a whopping \$350,000, is a bronze buckle representing a bull being attacked by a leopard and a tiger while a hare and a cub squirm under the falling beast.

But for intriguing symbolism, the prize must go to a rectangular flat object of uncertain use. Ten apes cast in low relief crawl clockwise, clinging to each other, along the border. A broad area inlaid with tiny pierced malachite disks separates them from the center piece, a geometrical composition of small jade cylinders. Speculation is useless when trying to elucidate the meaning of such a sophisticated and elaborate object, to which Croës gives a second-century B. C. date. The Japanese private foundation that acquired the four bronzes minutes after the private viewing began will now be able to ponder the enigma.

Many ingredients go into the magic potion that makes an art fair thrive with life. One of the Maastricht secrets, unmatched anywhere else, is its supreme elegance matched by total simplicity. It is immune from the architectural design ambitions that plague the Paris Biennale, with its pretentious, cheap-looking (if grotesquely expensive) décor, and does not suffer from the pedestrian ugliness of London fairs. Everything is left to proportion, space and lighting — the old recipe of the Dutch patrician

THE other key to success, again perceptible at Maastricht as nowhere else, is the inclusion of great works in the lower financial range as in the million-dollar category. Even such a famous dealer in antiquities as Herbert Cahm of Basel brought along a delightful Etruscan gray earthenware wine jug of the late seventh century B. C. priced at a mere 1,800 Swiss francs (about \$1,200). A Paris-based American lawyer, James Lighthorn, and his wife, Sally, swiftly bagged it before a Belgian couple could make up their minds.

The top in this financially modest range was perhaps to be found among the medieval, Renaissance and other objects displayed by Patrick Reijnders of Haarlem, the Netherlands. The most remarkable "face" urn of Celts gray earthenware of the second to third century I have ever seen was there, with a 22,000 guilder price tag. The urn, excavated from the rubble in Cologne after World War II, was hitherto unrecorded.

And that, as much as Pieter de Boer's 2.2 million guilder Avercamp (now sold) or Johnny Van Haeften's 14 Dutch and Flemish masters sold in the range of £30,000 to £600,000 (\$43,500 to \$880,000), is what makes a fair great, very great indeed. It should be seen by anyone in search of new discoveries in art before it closes on Sunday.



FOR SALE/SOLD

The gun that got Jesse James... The handgun that killed the American outlaw Jesse James will go on sale in Britain next month. The .44-caliber Smith and Wesson No. 3 New Model Revolver belonged to Bob Ford, who shot James in the back in St. Joseph, Missouri, on April 3, 1882. An unidentified American seller put the gun up for sale at Wallis & Wallis auction house in Lewes, England. Lennon's guitar: A John Lennon guitar will be among Beatles memorabilia that goes on sale next month in London. Phillips auctioneers said

POULAIN, LE FUR

Advertisement for Michel Souillac Collection, one of the most important and famous Art Deco collections. Located in Paris, Drouot-Richelieu. Auction on Monday April 5, 1993 at 2 p.m. & 8.30 p.m.

AUCTION SALES

Advertisement for Drouot Richelieu auction sales in Paris. Includes dates for Monday, 29 March; Wednesday, 31 March; Thursday, 1 April; Friday, 2 April; Sunday, 4 April; and Wednesday, 7 April. Lists various art objects for sale.

New York Sales Preview in Zürich

Advertisement for Christie's auction sales in Zürich. Features a preview of New York sales including Impressionist, Modern, Contemporary and 19th Century Paintings and Tribal Art. Includes viewing times and contact information.

Dining Out

Advertisement for dining out in Amsterdam and Paris. Lists various restaurants like Haesje Claes, Brasserie de la Roode Leeuw, Carr's, L'Arbuc, Le Procopé, Cote Seine, and Yugaraj.

COLLECTOR'S GUIDE

Advertisement for Spink deal in English Paintings and Watercolours. Includes contact information for Spink & Son Ltd. and other art dealers like Harry Fane and Lempertz.

# NYSE

Friday's Closing  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld PE Ratio

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio
110.00	100.00	IBM	3.00	2.7	13.0
100.00	90.00	Microsoft	0.00	0.0	15.0
90.00	80.00	Apple	0.00	0.0	12.0
80.00	70.00	Oracle	0.00	0.0	10.0
70.00	60.00	Novell	0.00	0.0	8.0
60.00	50.00	Lotus	0.00	0.0	7.0
50.00	40.00	Intuit	0.00	0.0	6.0
40.00	30.00	Visa	0.00	0.0	5.0
30.00	20.00	MasterCard	0.00	0.0	4.0
20.00	10.00	Amex	0.00	0.0	3.0

## Royal Trust Stuns Market

### Edper Unit Sells Assets to Royal Bank

*Compiled by Our Staff From Dispatches*

TORONTO — Stockholders bailed out of Royal Trustco Ltd. on Friday, after the Edper Group-controlled financial company revealed a shaky financial status and sold most of its attractive assets to Royal Bank of Canada for 1.65 billion Canadian dollars (\$1.32 billion).

Near the close in Toronto, Royal Trustco stock was down 94 Canadian cents, to 96 cents. A year ago, the stock was trading at more than 8 dollars a share.

Late Thursday, the companies announced that Royal Bank of Canada would acquire Royal Trustco's 146 Canadian branches and its worldwide trust operations, which administer \$124 billion in client assets and mutual funds. Royal Bank is also acquiring \$34 billion in deposits, residential and commercial mortgages and credit-card loans and \$950 million in large loans.

Royal Trust is to retain \$4.3 billion in loans made in Canada, the United States and Britain, of which 76 percent are performing. The deal is attractive to Royal Bank already Canada's largest bank, because of legislation that took effect in June allowing banks into the trust business.

The deal would make Royal Bank the No. 4 bank in North America, after Citicorp, BankAmerica Corp. and Chemical Banking Corp.

The benefits for Royal Trust were less clear. Under the deal, the company will change its name and restrict its business to collecting or selling its existing loans. But the company also

announced an unaudited 1992 loss of \$50 million dollars, which one analyst said wiped out its book value. The loan portfolio is said to be the cause of Royal Trustco's problems.

"We have no information on this, but I think the street now and all the analysts are thinking that the proforma balance looks like zero book value to common shareholders," the analyst said.

The deal does require stockholder approval, as well as permission from regulators.

Trilon Financial Corp., part of the Broufman family's Edper conglomerate, owns 47.5 percent of Royal Trustco. The Edper branch of the Broufman family, named for the brothers Edger and Peter, is separate from the part of the family that owns Seagram Co.

The Edper Group has recently suffered a series of financial reverses, and the Thursday announcement was the third major disposal of prized assets in the past two months.

In February, Edper sold controlling stakes in John Labatt Ltd., Canada's second-largest brewery after Molson Breweries, and MacMillan Bloedel Ltd., the leading forest-products company, to raise nearly \$2 billion.

*(Readers, NYT, Bloomberg)*

**Power Takes Southern Stake**

Power Corp. of Canada, a holding company, is to buy 12.9 million shares of Southern Inc., the newspaper publisher, at 14 dollars each in a private placement, Bloomberg Business News reported from Montreal.

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio
10.00	8.00	Bank of Montreal	0.50	5.0	10.0
9.00	7.00	Bank of Toronto	0.40	4.4	9.0
8.00	6.00	Bank of Nova Scotia	0.30	3.7	8.0
7.00	5.00	Bank of the West	0.20	2.9	7.0
6.00	4.00	Bank of America	0.10	1.7	6.0

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio
15.00	12.00	Bank of Montreal	0.50	5.0	10.0
14.00	11.00	Bank of Toronto	0.40	4.4	9.0
13.00	10.00	Bank of Nova Scotia	0.30	3.7	8.0
12.00	9.00	Bank of the West	0.20	2.9	7.0
11.00	8.00	Bank of America	0.10	1.7	6.0

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio
10.00	8.00	Bank of Montreal	0.50	5.0	10.0
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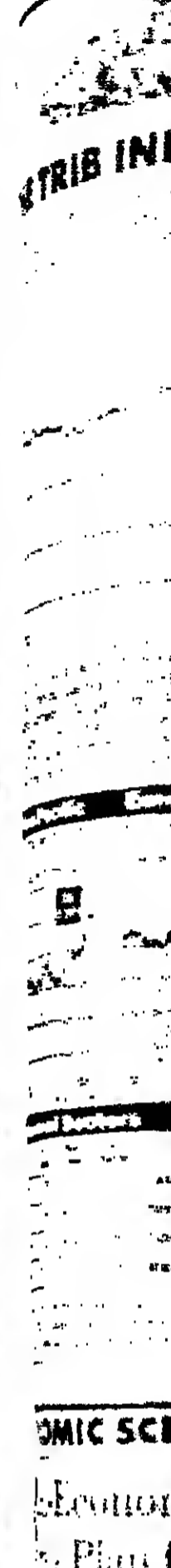
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10.00	8.00	Bank of Montreal	0.50	5.0	10.0
9.00	7.00	Bank of Toronto	0.40	4.4	9.0
8.00	6.00	Bank of Nova Scotia	0.30	3.7	8.0
7.00	5.00	Bank of the West	0.20	2.9	7.0
6.00	4.00	Bank of America	0.10	1.7	6.0

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio
10.00	8.00	Bank of Montreal	0.50	5.0	10.0
9.00	7.00	Bank of Toronto	0.40	4.4	9.0
8.00	6.00	Bank of Nova Scotia	0.30	3.7	8.0
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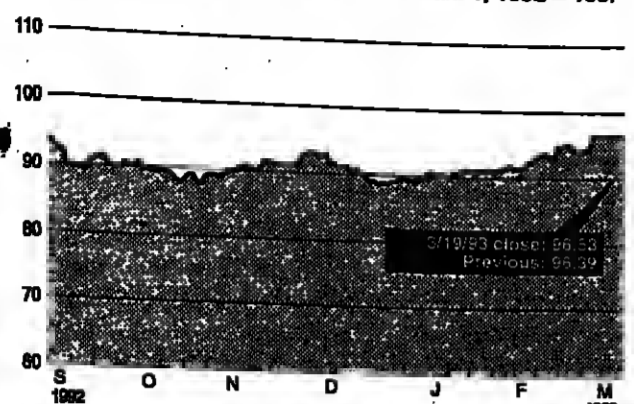
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THE TRIB INDEX: 96.53

International Herald Tribune World Stock Index of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland.

Table with 3 columns: Asia/Pacific, Europe, N. America. Shows index values and percentage changes for each region.

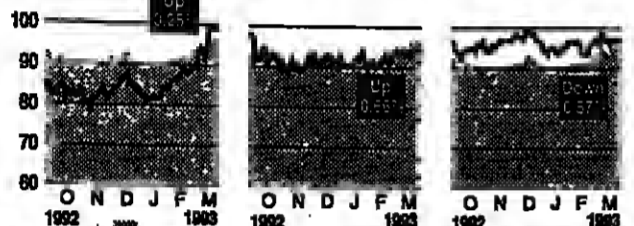


Table titled 'Industrial Sectors' showing index values and percentage changes for Energy, Utilities, Finance, Services, Capital Goods, New Materials, Consumer Goods, and Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to: Trib Index, 181 Avenue Charles de Gaulle, 92221 Neuilly Cedex, France.

ECONOMIC SCENE

A Sick-Economy Specialist Offers a Plan for Russia

NEW YORK — Will Russia negotiate the tortuous path to capitalism without a detour through hyperinflation and depression? Can outsiders do much to keep it moving in the right direction? Fatalism tinged with skepticism seems to be the fashion of the day.

Most, but not all, Jeffrey Sachs, an economist at Harvard who is advising the Yeltsin government, says there is room for a deal among Russia's warring domestic interests that could ease the way to competitive free markets.

Even those peering at the Russian economy through rose-colored glasses find it hard to ignore the gloom. Inflation is pushing 30 percent a month.

The tax system is not generating anything approaching the revenue needed to balance the budget. Oil and gas output is falling for want of modern equipment.

But Mr. Sachs, who has brokered stabilization plans in Poland, says the Russian economy through rose-colored glasses find it hard to ignore the gloom.

CURRENCY & INTEREST RATES

Large table containing various financial data including Gross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates for various currencies and interest rates.

Merger Foreseen In 4-Airline Link

LONDON — KLM Royal Dutch Airlines, Swissair, Scandinavian Airlines System and Austrian Airlines are set to extend their cooperation alliance into a full-fledged merger.

The four companies first said they were in talks to form a so-called quality alliance on Jan. 27. So far, they have declined to say whether the discussions involve a full merger.

Henri Popelier, an official at KLM's Union of Cabin Crew Members, said a merger was clearly in the cards.

Mr. Popelier said KLM, SAS and Swissair would each have a 30 percent stake in a merged company, and Austrian Airlines 10 percent.

A KLM spokeswoman declined to comment. "Where the activities of the four airlines overlap we'll need to go further than strategic cooperation, but what form that cooperation will take is currently under discussion," she said.

KLM employees are positive about a possible merger because they fear that going solo in an increasingly competitive environment may jeopardize the airline's chance of survival.

Meanwhile, Austrian Airlines' union is "strictly against" a full merger between the four and will push for the company to withdraw from the quality alliance if a merger were to look like ahead.

Mr. Schwarz said a full merger would leave Austrian employees at the bottom of the pecking order because it is the smallest party in the alliance.

Mr. Schwarz said the first stage of the cooperation talks between the airlines was to secure a joint holding company that would involve fleet planning, strategy and marketing.

Mr. Schwarz said a merger would lead to between 25 percent and 30 percent of the combined work force, or 20,000 to 30,000 people, losing their jobs at all the airlines.

He said Austrian unions might strike if a merger became a clear possibility, but it would not be their first choice of action.

So far, however, the big producers, whose dollars and jobs South Africans hope will help pull them out of a deep economic slough, are keeping a wary distance.

illitic American names like M&M Mars candies, Tampax Tambrands tampons and Compaq Computer Corp. For the first time since sanctions were introduced, the number of American companies doing direct business here rose last year.

The product on sale is not a drug, but the Windows computer program from Microsoft Corp., the American producer of software, which withdrew from South Africa in 1986 when an anti-apartheid boycott was gathering force.

Although the African National Congress is still months away from lifting its injunction against doing business with the white government, American companies are quietly drifting back into South Africa.

Already, the waning of South Africa's infamy has brought formerly disruptive to business. They worry about prescriptive laws. Above all, they worry about whether there will be a free market.

Conservatives Talk Up the Franc

French Output Edges Higher

PARIS — French industrial production rose 0.4 percent in January but was still 4.7 percent lower than in January 1992, the national statistics office reported Friday.

Officials said the figures suggested the economy may be stabilizing in the first quarter of this year after contracting in the last quarter of 1992.

The Finance Ministry said the report confirmed that "the bottom of the curve was reached at the end of last year."

Edmond Alphandery, a spokesman in finance for the other part of the alliance, said in a British television interview on Friday that "it wouldn't be good for the French economy" to abandon the strong-franc policy.

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high interest rates and depressed economic activity.

Some of the pressure on the franc is also attributable to the mechanics of the French election. Seats in the first round of elections on Sunday can only be won with absolute majorities.

Other observers said a fresh round of turmoil in the ERM might force the franc from the system before the new government was installed, although the German central bank was likely to strongly support the franc.

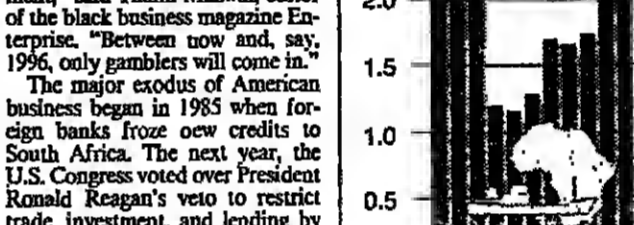
Much of the recent turbulence has been attributed to German unification, which caused inflation in the united country, in part because of a generous exchange rate for the former East German mark.

Helmut Schlesinger, the Bundesbank president, said Friday that the franc was a way to cut interest rates and restore vigor to the economy.

His remarks were seen by some analysts as implying a more flexible approach to the position of the franc than has been followed by the existing government at the cost of

U.S. Companies Are Quietly Moving Back Into South Africa

U.S. Exports To South Africa



year, before slowly creeping upward. Exports in 1992 were \$2.43 billion.

President George Bush repealed the federal restrictions on trade with South Africa in July 1991, but 164 state and local governments in the United States still restrict business with South Africa, and anti-

apartheid lobby groups have not let up their pressure.

The ANC, now alarmed about inheriting a country with a crippled economy, says it will urge the end of all economic sanctions when a date has been set for the first universal elections, and a transitional council has been created to assure a fair campaign.

"I suppose I take the view, 'So what?' shrugged Trevor Manuel, head of the ANC's economic department, when asked how it felt about companies already opening shop in South Africa.

When the congress does call for the resumption of trade, however, it may discover that repealing sanctions is as cumbersome as imposing them.

Britain Closes Borders To Satellite Sex Shows

LONDON — Red Hot Television, a satellite-television station that beams pornography across Europe, is to be banned in Britain, the government said on Friday.

The television company, which is licensed in the Netherlands but transmits from Denmark, said it would fight the ban in court and expected to win.

Since it began broadcasting last year, Red Hot Television has attracted widespread criticism in Britain, but also considerable interest.

On Friday, Peter Brooke, secretary of state for national heritage, said the station broke European broadcasting law.

RELIGIOUS SERVICES

Large table listing religious services in various cities including Amsterdam, Bonn/Köln, Bremen, Frankfurt, Munich, Montre Carlo, Paris and Suburbs, Prague, Stuttgart, Wuppertal, Zurich, and others.

MARKET DIARY

Stocks End Mixed As Bonds Weaken

NEW YORK — Stocks closed mixed on Friday, with blue-chip issues clawing out a minor gain but the broad market lower because of economic concerns and the specter of inflation. Wall Street was buffeted by the year's first so-called triple-witching-hour expirations of options and futures tied to stocks.

The Dow Jones industrial average rose 5.94 points, to 3,471.58.

but declining issues on the New York Stock Exchange outnumbered advances by a 5-to-4 ratio. Volume got a boost from program trading related to Friday's triple-witching-hour — the quarterly expiration of stock-index futures and options and options on individual stocks on the same day. Big Board volume was 293.96 million shares, up from 240.49 million on Thursday.

The bond market was pressured by inflation fears, manifested in a 13-month high for the Commodity Research Bureau's index. The CRB index, reflecting higher prices for sugar, pork, metals, wheat and orange juice, rose 2.04, to 213.74. The index has increased 5.4 percent so far this year.

In the bond market, the bellwether 30-year Treasury bond lost 7/32 point, raising its yield to 6.80 percent, from 6.78 percent on Thursday. Don R. Hays, director of investment strategy at Wheat First Butcher & Singer in Richmond, Virginia, said the bond market closely follows the CRB index.

FRANC: Conservatives Talk It Up

(UPI, Bloomberg) The difficulties of unity had been underestimated. Ireland cut interest rates on Friday, following the Bundesbank's move of Thursday. Ireland was forced to devalue its punt in January.

Earlier in London, the dollar was weaker as erstwhile bulls closed their positions before the weekend. "I don't think the Bundesbank moves are the stuff of a lower dollar, but I do think the short-term unwinding of bull positions might continue to take it lower than this," said David Deakin, chief trader at Nikko Bank in London.

The dollar fell to 1.6359 Deutsche marks from 1.6415. But it edged up to 116.00 yen from 115.75 yen on Thursday after touching a record low 115.55 in Tokyo on Friday. The dollar also rose to 1.5085 Swiss francs from 1.5060, but it fell to 5.2690 French francs from 5.2985.

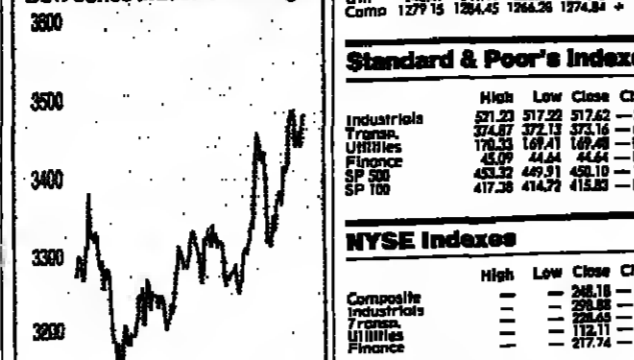
The pound rose to \$1.4900 from \$1.4860. Earlier in London, the dollar was weaker as erstwhile bulls closed their positions before the weekend.

Since the Bundesbank cut its discount rate to 7.5 percent from 8 percent on Thursday, the dollar has lost more than 2.5 percent. The discount rate is the effective floor of the German money market, but the Bundesbank left its Lombard rate, the ceiling, unchanged at 9 percent.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Brussels, Frankfurt, Milan, London, Montreal, Zurich, and others. Columns include stock names and their respective prices.

The Dow



Daily closings of the Dow Jones Industrial average

Dow Jones Averages

Table of Dow Jones Averages including Industrial, Transportation, Utilities, Finance, and SP 500.

Standard & Poor's Indexes

Table of Standard & Poor's Indexes including Industrial, Transportation, Utilities, Finance, and SP 500.

NYSE Most Active

Table of NYSE Most Active stocks including Amgen, Amgen, Amgen, etc.

AMEX Most Active

Table of AMEX Most Active stocks including Amgen, Amgen, Amgen, etc.

NYSE Diary

Table of NYSE Diary including Amgen, Amgen, Amgen, etc.

AMEX Diary

Table of AMEX Diary including Amgen, Amgen, Amgen, etc.

NASDAQ Diary

Table of NASDAQ Diary including Amgen, Amgen, Amgen, etc.

Market Sales

Table of Market Sales including Amgen, Amgen, Amgen, etc.

N.Y.S.E. Odd-Lot Trading

Table of N.Y.S.E. Odd-Lot Trading including Amgen, Amgen, Amgen, etc.

S&P 100 Index Options

Table of S&P 100 Index Options including Amgen, Amgen, Amgen, etc.

Market Closed

The stock market in Madrid was closed Friday for a holiday.

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EUROPEAN FUTURES

Table of European Futures including Food, Metals, and Stock Indexes.

Food

Table of Food futures including U.S. Dollar per metric ton.

Metals

Table of Metals futures including U.S. Dollars per metric ton.

Stock Indexes

Table of Stock Indexes including U.S. Dollars per metric ton.

Spot Commodities

Table of Spot Commodities including U.S. Dollars per metric ton.

Dividends

Table of Dividends including U.S. Dollars per metric ton.

U.S. FUTURES

Table of U.S. Futures including Grains, Soybean Meal, and Lumber.

Grains

Table of Grains futures including U.S. Dollars per bushel.

Soybean Meal

Table of Soybean Meal futures including U.S. Dollars per metric ton.

Lumber

Table of Lumber futures including U.S. Dollars per metric ton.

Metals

Table of Metals futures including U.S. Dollars per metric ton.

Stock Indexes

Table of Stock Indexes including U.S. Dollars per metric ton.

Commodity Indexes

Table of Commodity Indexes including U.S. Dollars per metric ton.

Market Guide

Table of Market Guide including U.S. Dollars per metric ton.

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U.S. / AT THE CLOSE

Whirlpool to Take \$40 Million Charge BENTON HARBOR, Michigan (Reuters) — Whirlpool Corp. said Friday that charges associated with its Whirlpool Financial Corp. subsidiary would reduce 1993 first quarter after-tax earnings by \$40 million.

The charges relate to the write-down of specific accounts, largely in its aerospace portfolio, Whirlpool said. The charges include \$10 million for the write-down of an investment in the common stock of GPA Group P.L.C., the world's largest operating lessor of commercial aircraft.

Whirlpool said the charge also included \$13 million for losses and maintenance costs for certain aerospace leasing arrangements. In addition, it reflected losses on a major commercial account and a general provision.

Vote on Drug Rescues Chiron Shares ROCKVILLE, Maryland (Combined Dispatches) — Shares in Chiron Corp. closed \$2.75 lower at \$50 Friday after recouping heavier losses on news that a panel of experts advising the Food and Drug Administration recommended that its drug to treat multiple sclerosis be approved.

Over the counter market, Chiron stock stood at the panel's approval, lower earlier on fears that its drug would not win the majority of the committee split, 7-to-2, on the drug, but members of the majority said they felt that there had been enough evidence presented for the drug to be marketed as a treatment for the disease.

The drug, Beta interferon, is the first pharmaceutical designed to stop the destructive processes that cause the crippling effects of multiple sclerosis. Treatments exist for the symptoms of the illness. (AP, Reuters)

NCR Chairman to Step Down May 1 NEW YORK (UPI) — American Telephone & Telegraph said Friday that the chairman of NCR, Gilbert Williamson, would retire May 1. Mr. Williamson, 55, will be replaced by Jerre Stead, president of AT&T's Global Business Communications Systems.

Mr. Williamson took over the helm of NCR in 1991 when AT&T acquired the computer company in a deal valued at \$7.5 billion. Mr. Stead, 50, will assume the title of group executive-NCR.

PC Chief's Departure Hits Compaq HOUSTON (Bloomberg) — Compaq Computer Corp. stock fell sharply Friday following the resignation of Douglas Johns, who has run the personal-computer division since a management shakeup in 1991.

The company's shares dropped \$1.50 to close at \$48.25 on the New York Stock Exchange. Mr. Johns, who was chosen by President Eckhard Pfeiffer in October 1991 to lead the flagship personal-computer division, said he was leaving the company for personal reasons.

Compaq officials minimized the importance of his departure, saying it would not impede the firm's turnaround in the personal-computer market.

Buoy Wall Street Buys NYSE Profit NEW YORK (AP) — The New York Stock Exchange said Friday it had record earnings of \$41 million in 1992, nearly triple the result of 1991, reflecting one of Wall Street's best years ever.

The Big Board reported revenue of \$420 million in 1992, up 12 percent from the year before, as 251 companies listed stock on the exchange. About half of the new listings were companies that made initial public offerings during the year, while 44 were companies that moved to the NYSE from the Nasdaq over-the-counter market.

However, the NYSE is losing market share to other regional and electronic exchanges. For example, the NYSE's share of trading volume fell to 81.7 percent in 1992 from 82.3 percent in 1991. Exchange officials expect that trend to reverse partially in the first quarter because of \$18.5 million in credits offered to win back small investors' business lost to other stock exchanges.

For the Record Seagull Energy Corp. directors announced a 2-for-1 split Friday of the company's common stock. (Knight-Ridder)

NYSE

Large table of NYSE stock market data including various stock prices and market indicators.

Virgin Air And BA Break Off Discussions

By Erik Ipsen
International Herald Tribune
LONDON — Twenty-five days after Richard Branson said he would give British Airways only 24 hours to make compensation for its "dirty tricks" campaign against his Virgin Atlantic Airways, talks between the two carriers were broken off Friday.

In a statement, Mr. Branson again raised the possibility of legal action against British Air. He said he had thought it would not be in the best interests of either airline to "waste time" in court and that he had "wrongly believed British Airways thought the same."

But analysts said that no matter what action Virgin takes, it would probably have scant impact on the larger carrier. "For British Airways, it's a pain in the neck, with U.S. litigators aggressively dragging on and on and stories in the press every day," said Mark McVicar, an analyst with NatWest Securities, "but it has become more of a nuisance than a serious commercial issue."

BA agreed in January to pay \$610,000 (\$897,000) and publicly apologize out of court in response to allegations from Virgin of poaching its passengers, breaking into Virgin's computers and smearing the airline's name and that of Mr. Branson. Further negotiations followed after Mr. Branson threatened to bring legal action against BA in the United States.

In Hungary, State Still Has Last Word

By Henry Copeland
Special to the Herald Tribune

BUDAPEST — In the 1980s, when Hungary's reforming Communists allowed a debt market to flourish, bonds often featured ingenious bells and whistles to entice buyers. One issue for Hungarian Telephone Co. in 1984 had a unique "call" option: The bond guaranteed its owner a telephone line in three years, cutting what might otherwise have been a decade-long wait.

Now, to sell its own burgeoning domestic bond offerings, Hungary's post-Communist government has dropped that kind of customer-friendly gimmick. In its place is a sales pitch to heads of major banks that was summarized by Gabor Seinezi, senior economist at the brokerage subsidiary of OTP Bank, as "If you would like to continue to sit in your chair, you should buy these securities."

Hungary's banks, the biggest customers for its domestic government bonds, are still predominantly state-owned. As a result, Hungary's command economy is making a last stand in, of all places, the bond market.

Though he calls the claim that bankers' jobs have been threatened "an overstatement," Frigyes Harszegi, deputy president at the National Bank of Hungary, admits that "the banks are now so desperately overvalued that they simply can be misused and abused and forced to buy anything."

Hungary's emerging capital market offers a preview of the challenges post-socialist governments will face as they try to turn state monopolies into market mechanisms.

"We are a long way from an efficient market," says Gyorgy Jakstj, senior economist at

Lupis Brokerhaz. "The state is the largest issuer. The state owns the largest companies who issue most of the other bonds. And it owns the banks who are the largest buyers."

Starting from zero in 1990, Hungary's government budget deficit widened from 114 billion forints (\$1.33 billion) in 1991 to 177 billion forints in 1992. As exports to the Soviet bloc collapsed, Hungary's tax-base shrank and social outlays rose.

The deficit was financed almost entirely through sales of three-month and six-month bills until October 1992, when the government

decided inflation had slowed enough that it could issue longer-term bonds. About 87 billion forints of two-year, three-year, four-year and five-year notes quickly followed.

Though the consensus among investors was that the coupons on these securities were too low — Hungary's five-year note offered in December had a 16 percent coupon, but inflation in 1992 was 21 percent — the banks had little choice but to buy. They were flush with liquidity from the savings being socked away by Hungary's populace — 250 billion forints in 1992 — and balance sheets full of bad loans gave banks no room to lend or buy corporate paper.

While individual Hungarians saved an estimated 16 percent of their income in 1992, almost none of this money flowed into long-term securities. Hungarians are saving in anticipation of hard times; unemployment is now nearly 14 percent and is expected to approach 20 percent by the end of 1993.

"The average Hungarian doesn't want to tie up his money for five years at 16 percent when he can get 17 or 18 percent for 90 days and take his money back whenever he wants to," Mr. Jakstj says.

With one exception, investors have not been consulted in determining yields, says Laszlo Nagy, head of a team of four economists at the Ministry of Finance that sets the coupons on Hungary's bonds. Mr. Nagy says the team simply "takes into account readings of how the economy progresses and the government's prognosis for inflation."

Because the Finance Ministry expects inflation to decline to single digits by 1995, Mr. Harszegi says, the economists figure that yields should not exceed 17 percent on a three-year bond, or 16 percent on a four-year bond.

If the Ministry of Finance team prices bonds too high, the National Bank goes to work. When an issue is undersubscribed, as one was last fall, Mr. Harszegi says, "we buy the rest of the issue which we cannot place." And then, he says, "we go after the banks, and we push them to buy."

The result is that Hungarian government bond yields are not the product of supply and demand but rather of the calculations of the Finance Ministry and the persuasiveness of the National Bank — a method described by Mr. Harszegi as, "I wish, so it should be so."

Hungary's command economy is making a last stand in, of all places, the bond market.

made in America's relations with its trading partners concerning Japan and access to its semiconductor market.

Relief came with U.S. confirmation that Tokyo allowed foreign countries to win 20.2 percent of the market in the fourth quarter of 1992, exceeding the 20 percent target it had agreed to earlier. Had the 20 percent commitment been left unfulfilled, however, retaliation by Washington was expected to have been muted.

Some Clinton officials would like to use the semiconductor arrangement as a model for advancing numerical targets, or "temporary quantitative indicators" as a model of future market access agreements. That would help advance the politically popular goal of expanding U.S. exports even as they are likely to flag while economic growth abroad remains weak.

Meanwhile, further potential conflicts between the United States and its trading partners remain

ready to take off, like airliners lined up on a crowded runway.

Similarly, the Commerce Department must decide within the next two months whether steep tariffs imposed earlier this year on steel imports from 19 countries, mostly in Europe, should be extended indefinitely.

The most explosive issue revolves around a Treasury Department decision on whether to increase tariffs on imported Japanese minivans to 25 percent from the current 21 percent.

Meanwhile, the Uruguay Round of multinational trade talks remains in limbo.

Mr. Kantor's suggestion that he may take another look at the farm subsidy deal agreed to in December between the EC and Washington strengthens the hand of the French, who complain that the agreement is unfair to their farmers. That deal is pivotal to putting together a wider trade package under the aegis of the General Agreement on Tariffs and Trade.

U.K. Prices Flared in February

Bloomberg Business News

LONDON — The annual retail price index climbed in February for the first time since October, the government said Friday, in what economists said was a sign that inflation was still not under control.

Retail prices rose 0.7 percent last month, after a 0.9 percent drop in January, the Central Statistics Office reported.

Economists linked the rise to the weakness of the pound, which drove up food prices, and to retailers' wrapping up their New Year's sales. The annual inflation rate climbed to 1.8 percent from a 25-year low of 1.7 percent in January.

"These figures show the 25-year low in retail inflation we saw in January was a fluke, and they suggest badly for coming months," said Chris Dillow, an economist at Nomura Research Institute. "Inflation is going to creep higher."

Annual retail inflation excluding mortgage interest payments, or core inflation, climbed to 3.4 percent in February, from 3.2 percent the previous month. Many economists said this measure was likely to breach the government's target of 4 percent by the end of the year.

"What's really worrying is that the underlying rate has turned up again," said Brian Hillard, an economist at Societe Generale Strauss Turnbull. "There's still a bit of room for headline inflation to come down, but we've seen the best news we're going to see on underlying inflation. It will deteriorate from here."

The Central Statistical Office said the figures may mean that the pound's decline since it left the European exchange-rate mechanism in September had started to feed through to prices.

Still, a Treasury official said inflation remained "at a very low rate by historical standards."

The main contributors in the rise were gains in clothing and footwear prices, up 1.8 percent in the month, and food items, up 1.1 percent.

Investor's Europe

Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, Exchange Index, Friday Close, Prev. Close, % Change.

Very briefly:

- Thyssen AG, the German steel and engineering company, said group sales in the five months to Feb. 28 fell 10 percent to 13.4 billion Deutsche marks (\$8 billion), as new orders declined 13 percent in the period.
- Britain has cleared Imperial Chemical Industries PLC's planned acquisitions of the U.S. acrylics businesses of Du Pont Co. and the acrylics businesses of BASF AG.
- GAN SA said it expected to report net profit of 400 million French francs (\$71 million) in 1992, down from 2.5 billion francs in 1991.
- Georg Fischer AG, the Swiss engineering group, said 1992 net profit dropped to 11 million francs (\$7.2 million), from 49 million francs.
- Hungary will contribute 400 million forints (\$4.7 million) to Suzuki Hungary's effort to boost the joint-venture equity by 900 million forints.
- Robert Bosch GmbH, the high-tech industrial concern, said it expected to report an unspecified operating loss in its current financial year.
- ASKO Deutsche Kaufhaus AG had a loss of 462 million Deutsche marks in the nine months to September; the retailer's financial year ran from January to September after its merger with the Swiss group Metro AG.
- European Community overall production fell 1.6 percent in the fourth quarter, according to Eurostat, the Community's statistics agency.
- Anglia Television Group PLC, the British commercial broadcaster, said pretax profit rose to £14.5 million (\$21.4 million) last year, after a restated £8.7 million for the previous 14 months.

TRADE: U.S. Backs Off From Retaliation Against EC

(Continued from page 1)

worse than similar "Buy America" standards followed by many local and state governments in the United States.

But Mr. Kantor, echoing similar complaints from trade officials in the Bush administration, insisted that the Community rules unfairly discriminate against outsiders, particularly highly competitive U.S. telecommunications companies.

The principal dispute revolves around a Community "domestic content" measure that allows governments to reject bids if less than half the goods involved come directly from the Community.

The Community, which was prepared to drop a provision allowing EC companies to charge 3 percent higher prices than competing companies from outside the Community, has offered to work with Washington on a joint study of government purchasing policies in Europe and the United States.

Another major area in which some progress apparently is being

Citroën to Assemble AX and ZX in Egypt

AFP-Exat News

PARIS — Automobiles Citroën, a unit of PSA Peugeot Citroën SA, said Friday that it had signed a contract with Power IAC, a private Egyptian company, for the assembly and marketing under license of Citroën AX and ZX cars.

The cars will be assembled in a new factory outside of Cairo, Citroën said. Citroën said it was planning to manufacture 2,000 to 3,000 AX cars in 1994, rising eventually to 20,000 cars a year.

Hanson Reaches Deal With Costain to Buy Mining Units

Bloomberg Business News

NEW YORK — Hanson PLC said Friday that its Peabody Holding Co. and Peabody Resources Ltd. units had settled their dispute with Costain Group PLC over the sale of Costain's Australian coal-mining operations.

The dispute arose after Costain first agreed to sell the Australian operations to Peabody, but then said it was selling them to Credit Lyonnais's Altus Finance SA.

Hanson said Peabody would buy Costain's mining operations for the original purchase agreement price of \$200 million plus an estimated net asset adjustment of \$34 million.

Peabody also will buy the mining units' net debt and lease operations totaling about \$65 million. Upon completion of the sale, Peabody and Costain will drop their respective lawsuits and claims.

The deputy chairman and chief executive of Hanson Industries, Hanson PLC's U.S. unit, David H. Clarke, said the agreement would enable Peabody "to expand into Pacific Rim coal markets."

On Oct. 20, Costain signed an agreement to sell its mining operations to Peabody for \$200 million plus debt. In November, Costain said it decided to sell the mining interests to Altus Finance SA for \$245 million plus debt.

RUSSIA: A Role for Western Aid

(Continued from first finance page)

and Bolivia, demurs. A realignment of interests that ends the political stalemate is possible, he argues, and for two reasons.

First, the inflation dragon is close to consuming its own children. The billions of rubles gushing out of the bank and into politically connected enterprises are doing little more than making up for continuing losses in the purchasing power of enterprises' working capital. Meanwhile, trade between enterprises has become a financial cashpout. A few weeks' delay in payment can wipe out even the most generously calculated profit margin.

Second, the government's gain need not be the enterprises' loss. Those who see this as a zero-sum game, Mr. Sachs suggests, forget that Russia is hemorrhaging real resources to both former Soviet republics and foreign creditors.

Russia continues to subsidize the impoverished republics with both cheap resources and ruble credits in buy Russian industrial goods. This may suit Russia's foreign-policy apparatus, which long ago learned that low-cost oil equals influence. And it may please the West, which is worried about a power vacuum in Central Asia.

But by Mr. Sachs's calculation, it is costing Russia 10 percent of national output — a high price when hard-currency export revenue is tumbling.

Then there is the hard-currency foreign debt. The big creditors are asking Russia to pay back \$6.5 billion in 1993, some \$4 billion more than Moscow is offering. This \$4 billion represents about 4 percent

of national income at the current exchange rate.

Mr. Sachs imagines a deal in which all the old enterprise debts to the banking system are canceled and the short-term credit spigot is shut off. The clean slate might then be used as an opportunity to restructure sectors of the Russian industrial economy that have high potential payoffs — notably energy, high-technology military and agricultural processing.

Long-term financing would come from a combination of increased Western aid and the redrawing of resources from the periphery of the old empire. If these struggling republics need outside help, Mr. Sachs argues — and presumably they do — it should come from the West, not Russia.

NYSE

Friday's Closing
Tables include the following prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 1992 High, Low, Last, Chg.

Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 1992 High, Low, Last, Chg.

Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 1992 High, Low, Last, Chg.

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Table with columns for 12 Month High, Low, Stock, Div, Yld, PE, 1992 High, Low, Last, Chg.

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Money Supply Rise Lifts Spirits in Japan

AFP-Exel News TOKYO — The Bank of Japan announced Friday that the money supply for February grew 0.2 percent year-on-year and economists said the figure may point to a turnaround in the economy later this year.

lied the turnaround could come by midyear. But they cautioned that any rebound was likely to be modest. "At this stage, the economy could not be seen as being self-sustaining," Mr. Veston added. "But the good news this week on the stimulation package augurs well."

Tokyo Rents: Down to Earth?

Bloomberg Business News TOKYO — Office space in Tokyo is still among the most expensive in the world, but the price of admission into Asia's premier financial center may be easing thanks to the economic slump and an easing office glut.

are about \$32 per square foot, and in London's financial district rents run \$48 per square foot. Companies see a unique chance to save millions. Fidelity Investment Japan is giving up its fancy address in Tokyo's central business district in Hibiya for a far better deal in a new high-rise a little further out.

Tata Cedes Soap Unit To Unilever

Compiled by Our Staff From Dispatches BOMBAY — Hindustan Lever Ltd., a unit of the British-Dutch Unilever Group, will take over Tata Oil Mills Co. giving it one-third of the soap and detergent market in India, the companies said Friday.

Anheuser Venture Targets Japan

Compiled by Our Staff From Dispatches TOKYO — Kirin Brewery Co. and Anheuser-Busch Inc. will launch a joint venture in Japan in September, with the U.S. brewer aiming to boost Budweiser's share of the beer market in Japan, the companies announced Friday.

"We look forward to have a greater presence in Japan through this new company," Mr. Purnell said at a news conference here. Anheuser-Busch is to hold 90 percent of the joint venture, capitalized at 9 billion yen (\$77 million), while Kirin will hold 10 percent. It will be called Budweiser Japan Co.

Japan Steel Firms Cut Outlook

AFP-Exel News TOKYO — NKK Corp., Kawasaki Steel Corp. and Sumitomo Metal Industries Ltd. on Friday lowered their parent pretax profit forecasts for the year that ends this month. Company officials attributed the change to the slump in domestic demand amid the economic slowdown.

Kawasaki Steel said parent-level pretax profit would be 7.5 billion yen, down from 8.0 billion. Sumitomo Metal Industries lowered its estimate from 6 billion yen to 5 billion yen. But Kobe Steel Ltd. left unchanged its pretax profit forecast at 14 billion yen, while Nippon Steel Corp., the world's biggest steelmaker, only slightly lowered its earlier forecast to 28 billion yen.

Investor's Asia table with columns for Hong Kong Hang Seng, Singapore Straits Times, and Tokyo Nikkei 225. Includes line graphs and a table of exchange rates.

Very briefly:

- The South Korean president, Kim Young Sam, announced an immediate 100-day program to revive the economy, including lower interest rates and measures to boost competitiveness of medium-sized companies.

Large table of international fund listings with columns for fund names, currencies, and prices. Includes sections for 'INTERNATIONAL FUNDS' and 'Other Funds'.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

THE MONEY REPORT

FIRST COLUMN Is It a Crime If There Are No Victims?

HERE is an old argument trotted out whenever the subject of insider dealing comes up. It is analogous to the philosophical conundrum about the tree falling in a remote forest. One line of argument is that if no one is there to hear the tree falling, then the tree makes no sound. The counterargument is that a sound is a sound, whether anyone is there to hear it or not.

The financial analogy for the noiselessly falling tree is that insider dealing is a victimless crime, and as such, not really a crime. How can it really be a crime, the question is asked, if there are no victims?

To the philosopher, the answer, in the sense of whether this can be or not, is irrelevant. What matters is who comes up with the most elegant amalgam of rationalism and utilitarianism. For the financial commentator, however, not even a market-oriented version of Berkeleyan Idealism will do: The crime is a crime if it exists as an idea in the mind of the regulator (the financial equivalent of God). What is wanted is a solid, workable definition of insider dealing, one that works across all the markets. And there also needs to be a well-paid (and therefore less corruptible) body of people to enforce the rules and catch the perpetrators of the crime.

The main reason why such a system is needed is that the analogy is imperfect. There is a sound when the tree falls, just as there are victims of insider dealing.

The victims fall into two main categories. First, and most obvious, are the members of the company. Shareholders provide the company with working capital to exploit commercial opportunities. If a company finds itself in a position to exploit a commercial situation to its financial advantage, it is unfair that just some officers of that company (in most cases, the management) should take advantage ahead of the shareholders whose money empowered them to discover an opportunity in the first place.

The second category of victim is owed less of a fiduciary duty, but it remains, nevertheless a duty. The ordinary public, alias the small investor, needs a capital market that promotes business and opportunity, and that penalizes narrowness and greed.

Environment Funds: Ethics and Gimmicks

By Judith Rehak

FIRST, are you succumbing to a marketing gimmick? American investors poured money into the "environmental" funds that big money managers and brokerages rushed to market in 1990 during the publicity hype surrounding the 20th anniversary of Earth Day.

Ecology is certainly big business. Social Investment Forum, which monitors such movements in the United States, has estimated that \$625 billion was invested according to ethical criteria by the end of 1991. Of that, more than \$11 billion was attributed to funds, the key medium for individual investors.

But what is ethical, anyway? Social-investing watchdogs branded environmental funds from the likes of Kemper and Fidelity as "green but not clean," because they bought pollution clean-up companies like Waste Management, which has tangled repeatedly with the Environmental Protection Agency over its practices.

"People saw the word 'environmental' and bought blindly, without reading between the lines," said Kurt Brouwer, a partner in Brouwer and Janachowski, a San Francisco investment adviser.

To make matters worse, environmental funds have turned in a dismal performance. Pollution control stocks tumbled as the recession pushed clean-ups to the back burner, and the group has been one of the stock market's worst performers, falling by 6.75 percent from mid-1990 to last February, while the average equity fund rose 27.95 percent. One exception: Social investors point proudly to New Alternatives, an "approved" environmental fund that buys solar and alternative energy companies; it rose 25 percent in the same period.

Diversified funds warrant a close inspection of their holdings as well. If you think nuclear power or weapons are immoral, you would probably avoid the Dreyfus Third Century fund, which qualifies as socially responsible, but can invest in defense contractors, anathema to many social investors.

"We're 180 degrees opposite to their philosophy," said Steve Schueth, a vice president of the Calvert Group, whose seven ethical funds shun stocks like IBM, Westinghouse and GE, because of their involvement with nuclear power and weapons systems.

Other funds have agendas that may or may not fit yours. The Working Assets group was the first corporate member of the National Gay and Lesbian Task Force, and makes financial contributions to that group. Californians who hate smog and taxes can fight back with the Muir Tax-Free California Fund — it buys municipal debt, but rejects any that finances new freeways. Animal rights activists could check out the Citizen's group of funds, which vetoes companies that reportedly treat animals in an inhumane manner.

Be sure to check the prospectus for expenses as well. As scrupulous as they are in checking out the ethics of the companies they buy, some social-investing funds seem far less concerned about their investors' pockets. The Righttime Social Awareness fund, a market-timing vehicle, socked its shareholders last year with a 4.8 percent front-end load, plus a whopping 2.85 percent of assets. (The average equity fund carries a

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4 percent sales commission and annual 1 to 1.25 percent charge.) Then there is New Alternatives, which assesses an above-average 5.7 percent commission, then tacks on 1.18 percent annually, or the Covenant Fund, which levies a palatable 4.5 percent load, but adds a steep 2.5 percent annual fee.

The justification is that, because these funds are small, they must charge higher expenses to be profitable to their managers. Mr. Brouwer disagrees. "It's absolutely hypocritical," he said. "Pax and Dreyfus Third Century have always been no-loads and they make money."

"It's a fair criticism," conceded Patrick McVeigh of Franklin, which follows the funds' expenses and performance in its newsletter.

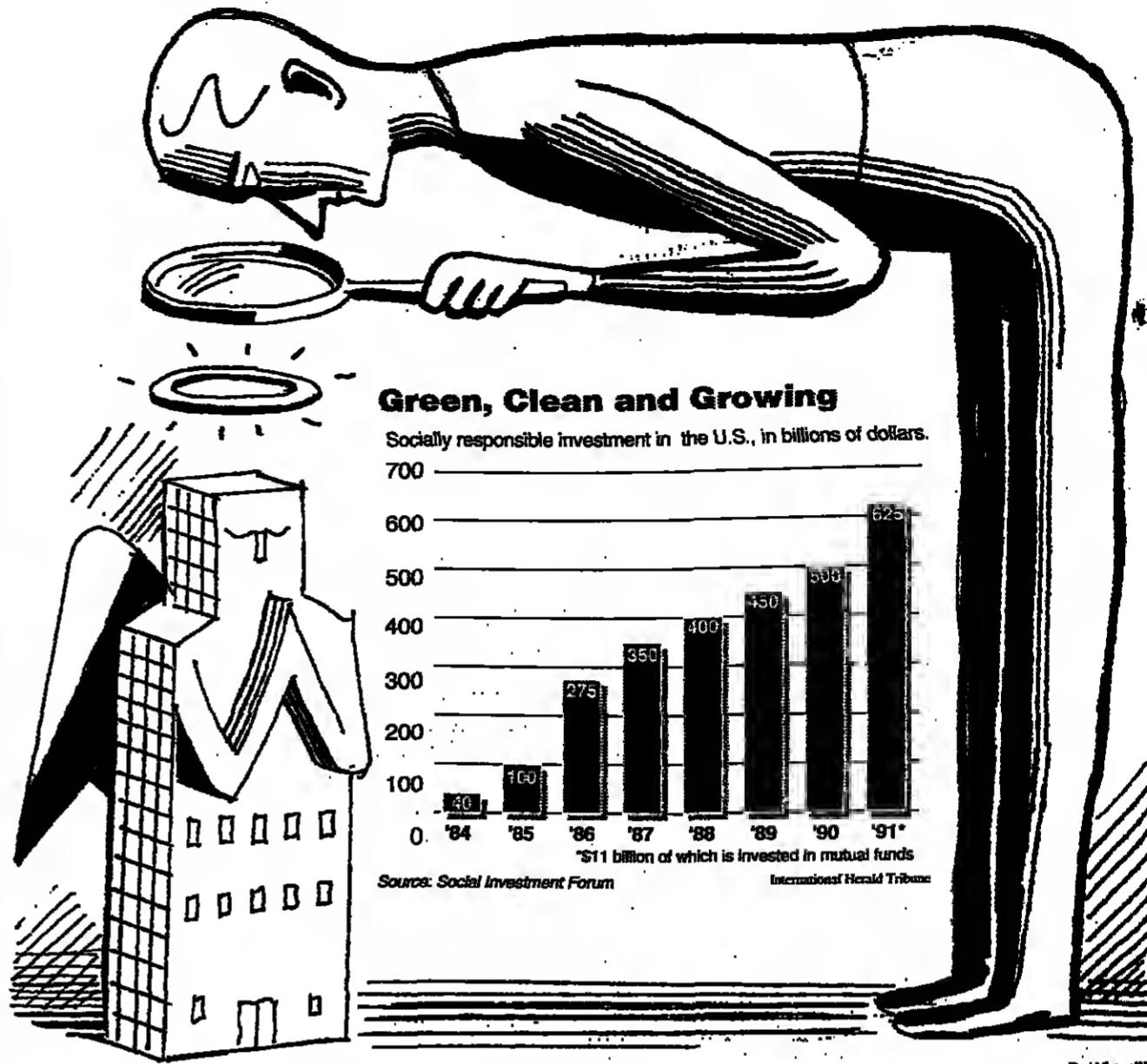
That also raises the question of investment performance. Managers of ethical funds stress that they also follow standard investment guidelines in running their portfolios,

but most of them remain small because of their fair-to-middling profitability. "They generate a lot of publicity, but you really don't see assets go into them unless they perform well," noted Don Phillips of Morningstar, a Chicago fund research group. For example, after nearly 20 years of existence, the Pax World Fund had only \$93 million in assets entering 1990. "But that year it was up 10.5 percent while the S&P 500 was negative, and in the following 18 months, its assets went to \$421 million," Mr. Phillips said. Average monthly cash flow

into the \$66 million Parnassus Fund has tripled in the wake of publicity over its red-hot performance. Two years ago its assets stood at a mere \$31.8 million.

The best thing many socially responsible funds have going for them right now is their bias toward mid- and small-size companies, strong market performers in the past year. The Parnassus Fund's spectacular returns are due in part to its smaller-cap tilt; the Domini Social Index Trust, which tracks 400 companies, 300 of them medium to small caps, rose 12.1 percent last year, compared with 7.6 percent for the large-cap S&P 500. "We were lucky that we didn't have IBM in our portfolio," said Peter Kinder, of Kinder, Lydenberg and Domini, the firm that created the index.

If, as widely predicted, small to medium caps continue to perform well in the 1990s, then social investing's true believers could answer their critics with above-average performances while achieving their goal of a better society. But investors who want to help them get there should choose their investment carefully.



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THE CENTRAL SOURCE ON FUND INVESTMENT. I.F.I. is the one and only publication devoted to providing unbiased coverage of this fast developing sector of the financial world. The reactions to I.F.I.'s launch have been exceptionally encouraging and demonstrate that such a magazine was badly needed by the asset management industry.

Storm Warnings for Property Insurance. The key to a rapid and satisfactory settlement, however, depends on documentation, and the burden of proof lies on the damage victim. "If you can't verify the value of your possessions, then the company may not pay to replace them," said Steven Goldstein, a spokesman for the Insurance Information Institute, a trade association for the U.S. insurance industry.

BRIEFCASE Jersey Institution Offers Play on Milan Stock Index. The Jersey subsidiary of J.P. Morgan said it has launched a warrant issue based on the Banca Commerciale Italiana index of shares traded on the Milan stock exchange. The warrants, which are expected to be listed in Luxembourg, offer a highly leveraged way to bet on — or against — the Italian stock market.

THE MONEY REPORT

Shareholders Cry All the Way to the Bank

By Aline Sullivan

SHAREHOLDERS in British banks have much to be pleased about, despite the announcement earlier this month of the worst earnings in years. Hopes that the 1992 results signalled the bottom of the recession have boosted some shares to record highs, even though many observers believe the sector will worsen before it improves.

Not everyone is as optimistic. Disappointing earnings last year served as a reminder that there are structural problems in the British banking system. Some analysts argue that only big changes, such as slower loan growth and a fundamental shift away from real estate-based lending, will sustain a long-term revival in bank shares.

Opinions are mixed as to how much Mr. Buxton is to blame for losses at Barclays. Certainly, he was managing director at the time when many big loans were made to real estate companies that have since collapsed. But Barclays has a long tradition of lending to the real estate and construction industries, the sectors worst hit by the current recession in Britain.

The depressed British housing market caused a 9 percent drop in 1992 pretax earnings at the banking and real estate agency group Abbey National. The bank made profits of £364 million in 1992, down from £618 million a year earlier. Provisions for bad and doubtful debts rose to £322 million from £155 million. Christopher Tugendhat, the chairman, said, however, that there is a case for "cautious optimism" for the housing sector this year.



How the Clinton Tax 'Sacrifice' Could Affect Foreign Nationals

Following the tax proposals made by President Bill Clinton, Jack Anderson, a partner in the Paris office of HSD Ernst & Young examines the tax liability of foreign executives who are transferred to the United States. This is the first of two articles.

By Jack Anderson

PRESIDENT Bill Clinton asked Congress last month for a "sacrifice" that was larger than anticipated by the Americans who voted him into office. The combination of proposed income, social security and energy taxes would result in every American earning more than \$30,000 a year facing a tax increase.

point of view and the unpleasant surprises he finds. Hans is 32 years old and has been given a transfer to the company's U.S. subsidiary in New York City for training purposes. Hans has been to the United States on vacation and is looking forward to working and living in New York. Fortunately for Hans, his wife, Bettina, is also enthusiastic about the transfer. They have one child.

which will allow Hans to continue to pay into and be covered by the German Social Security system and be exempt from the U.S. Social Security system. The Totalization Agreement only covers the old-age contribution.

The Residential Labyrinth. A flowchart diagram with decision points: 'Has the individual been lawfully admitted for permanent residence (i.e. does he have a green card)?', 'Has the individual been present in the United States for at least 31 days in the current year?', 'Has the individual met the substantial presence test? (If the total in column 3 of the table below in 183 days or more, the substantial presence test has been met)'. Includes a table with columns for 'Days present in United States during year', 'Column 2 applicable percentage', and 'Column 3 days exceeding towards test (col 1 x col 2)'.

Source: HSD Ernst & Young

ered to be higher than for resident aliens, this outcome would actually be advantageous if Hans had any transactions after his arrival in June. For example, if Hans sold his German stock, which he held for more than six months while a non-resident alien of the United States for income tax purposes, the resulting gain is not taxable under German domestic law. As a nonresident of the United States, gains from the sale of foreign stock would not be taxable in the United States. However, if Hans were a U.S. resident alien at the time of the sale, the United States would tax the gain under U.S. law.

soon realize that the situation is not quite so simple. Stéphane knows the current top U.S. rate is 31 percent, which, added to New Jersey's top income tax rate of 7 percent, could make his combined top tax rate as much as 38 percent. He also knows that Mr. Clinton may increase this rate. Although this rate is lower than the top rate in France of 38 percent, the U.S. tax is assessed on gross income less deductions, whereas the French system taxes compensation net of the high Social Security (health insurance) tax and allows a 28 percent standard deduction.

in France for his dependents. U.S. tax law permits a small exemption for each dependent, whereas the French system of "shares" in effect splits total household income among all members of the family and taxes each share at the lower progressive rates of tax. Stéphane finds another restrictive feature of U.S. tax law to be the elimination of the standard deduction during the year of arrival and the year of departure of a foreign national, only itemized deductions, principally mortgage interest relating to the U.S. residency period and state and local taxes, can be taken. Moving expenses paid by the company must be included in

income and may not all be deductible. Stéphane's current annual base salary of \$85,000 (470,000 francs) generates a French income tax of \$6,500, for an average rate of income tax of 8 percent and a top rate of 29 percent. His French Social Security contribution is \$15,000. Stéphane determined that his U.S. and New Jersey income tax on the same amount of income will be \$16,500 for a combined average rate of income tax of 20 percent and a combined top rate of tax of 33 percent. The lower U.S. Social Security tax will be \$5,000, but he does not think he will have any benefit from the U.S. Social Security contribution. His net income in the United States after income and social taxes is the same as in France; but Stéphane thinks that he is really penalized by the loss of French Social Security benefits. He focuses on the increased U.S. and New Jersey income taxes of \$10,000.

employment benefits under the French system. How can Stéphane alleviate some of the additional tax burden he will face in the United States? He should consider selling appreciated assets before departure from France to take advantage of the lower tax rate on capital gains in France than in the United States (no tax on sales below \$60,000 and then a maximum of 18.1 percent as opposed to a 28 percent maximum rate in the United States).

Next: U.S. tax liability for Asian expatriates.

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Executive Transfer Tax

Table showing Foreign national income tax, Social tax, and Total increase for Germany and France. Germany: Income tax \$8,500, Social tax \$1,500, Total increase \$10,000. France: Income tax \$10,000, Social tax \$10,000, Total increase \$20,000.

Source: HSD Ernst & Young

rate of tax of over 39 percent. His U.S. Social Security tax will be \$4,500 and he is concerned that he will receive no benefits from the U.S. system since he will not retire in the United States and there are no medical benefits before retirement. His net income after income and social taxes in the United States decreases from \$62,000 to \$58,000.

when the individual occupies the house himself. Therefore, the conversion to rental property during a temporary absence from Germany allows, in effect, a deduction for an otherwise non-deductible expense. Hans knows that the United States taxes resident aliens on their worldwide income, but nonresident aliens are taxable on a more limited tax base: U.S. employment income, U.S. passive income, or gains from the sale of U.S. real property. However, a married nonresident alien of the United States, while taxed on a smaller tax base than worldwide income, must file on a married, filing-separately basis and must itemize deductions. These two requirements generally serve to increase the effective U.S. tax rate for nonresident aliens.

Another U.S. tax trap may result from the sale of Hans's and Bettina's German residence. As resident aliens of the United States, they would be eligible for the two-year deferral of tax as are U.S. citizens, but if they subsequently do not meet the two-year requirement for reinvestment, they would be required to pay the tax on the gain in the United States. Hans's situation had some tax surprises, but what will his European cousin from France find in his proposed transfer to the United States?

Stéphane is a 40-year-old chemist who works for a large French chemical company with activities mainly in Europe. He has just learned he is being assigned to New Jersey for two to three years to set up a joint venture for his French company with an American pharmaceutical company. He will bring his wife, Suzanne, and three children with him and will receive overseas allowances, including a car, housing, home leave, and education, in addition to his base salary. Stéphane's house in France will be rented while he is on overseas assignment.

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On April 13th, the IHT will publish a special report on Private Banking. Among the topics to be covered are: Expanding services to well-off clients, Heightened competition, Protecting the client's secrecy, Old, established private bankers vs. the new players, International asset management and protection. For advertising information, please contact Juanita Caspari in Paris at: (33-1) 46 37 93 76.



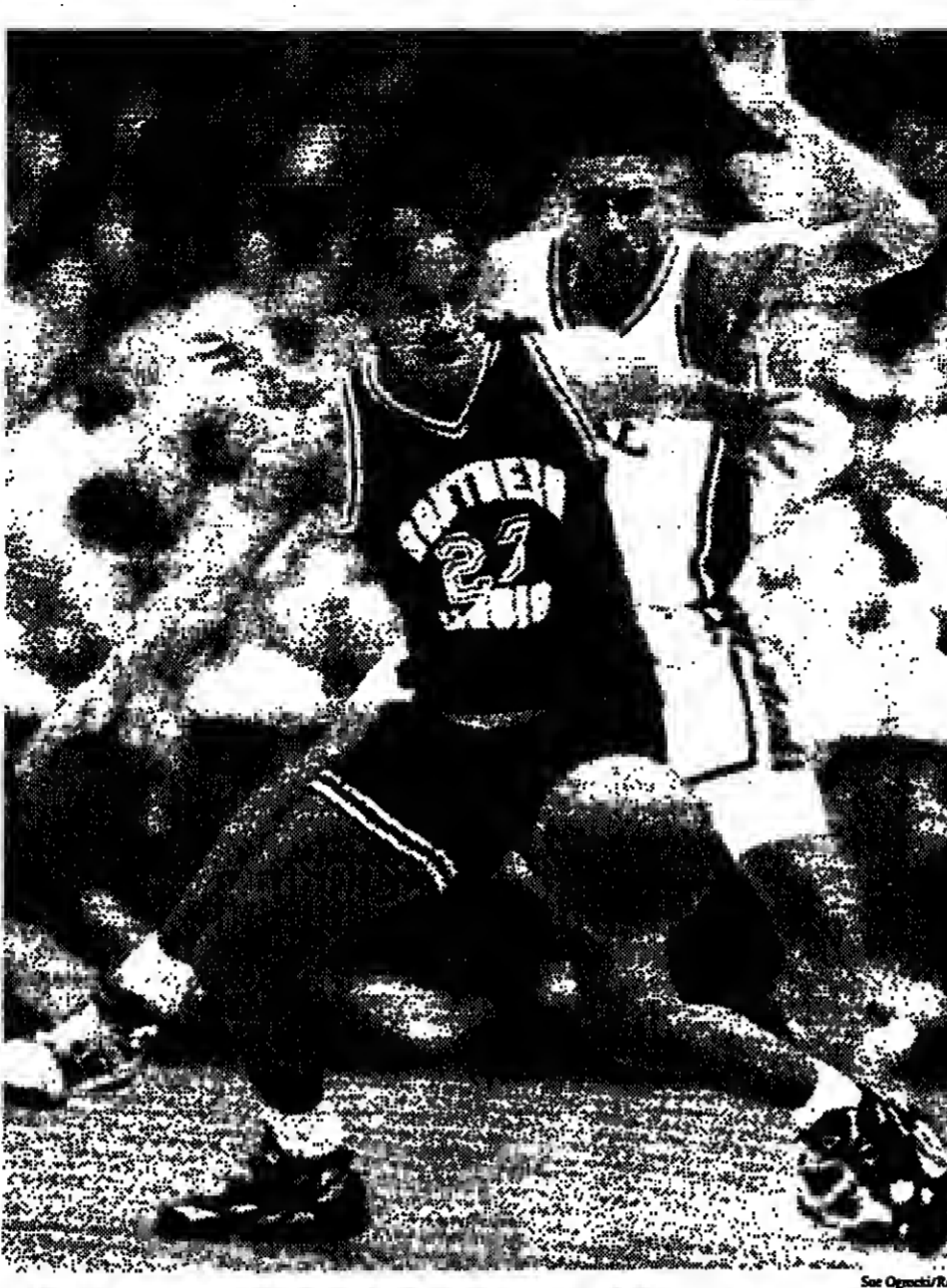


SPORTS BASKETBALL

Another Court in March Shows Another Madness

By Robert Lipsyte
NEW YORK — The March Madness is upon us, when boys who will be boys are beloved beyond all reason.

Girls do. Obviously people are still telling them their worth can be determined by the jock status of the boys who like them.



Pressed by Duke's Antonio Lang, Southern Illinois's Tyrone Bell lost the ball. Duke won, 105-70.

George Washington Ousts New Mexico in NCAA

The Associated Press
Yinka Dare's inside strength and Kwame Evans's 3-pointers powered George Washington to an 82-68 upset of No. 21 New Mexico on Friday in the NCAA West Regional in Tucson, Arizona.

An Unsteady Georgetown Wins Its NIT Baptism

The Associated Press
Georgetown, a stranger in a strange land after 14 straight years in the National Collegiate Athletic Association tournament, joined the NIT successfully.

Hopefuls as Threats for Some Expos and Reds

The Associated Press
Several veterans are starting to worry just a little about their job security. Coach Tim Laker of Montreal and pitcher Tim Lincecum of Seattle are among the players mentioned.

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For investment information read THE MONEY REPORT every Saturday in the IHT

DAVE BARRY

Read On, Cat Lovers

MIAMI — Today's animal topic is: Cat Care. Over the years, many cat lovers have asked me: "Dave, how come you never write about cats? Is it because you don't LIKE cats? Is it because cats are vicious unprincipled household parasites that will stroll up to the person who has fed them for 17 years and, without provocation, claw this person's shin flesh into lasagna? Is it because they are lazy, ungrateful, hairball-spewing...?"

And get clean and hate you. Davis claims that most cats seem to adjust. "O.K., they don't LOVE it," he said. "But they TOLERATE it."

Another new wrinkle in cat hygiene was brought to my attention via a newspaper article concerning a senior citizen talent show in Sanford, Florida. The show featured an act by a woman named Harriet Boyd, her cat Spike and her small dog. The article states: "The little dog ran around the stage while Boyd held the cat draped over her shoulder, made it sit and stay on a stand while she walked away and vacuumed it."

"Yes, she vacuumed the cat, in its obvious pleasure. She rubbed the roaring attachment over the cat's back while it stretched in luxurious appreciation."

Terence Blanchard: A Suite for Malcolm

By Mike Zwerin

PARIS — Staring out the window of his high school classroom window, Terence Blanchard thought: "Why can't we deal with Bird?"

Who cares how Mozart connected to the art and architecture of his time? European history was totally irrelevant to this African-American trumpet player growing up in New Orleans. What did all those foreign cultures in distant lands have to do with him? Except, maybe, for "Night In Tunisia."



Blanchard says, "What I like about Spike is that he's learning."

Being signed up by a multinational has to be a major motivation, as strong as the music. Blanchard, 31, was signed by Columbia in his early 20s, he says he did not lobby for it and was amazed when it happened.

do, people will relate to it on some level. After all, who wants Picasso knockoffs? I just try to be honest with myself, so that I'm not out there playing something people will automatically like and get paid and go home."

PEOPLE

A Photo Opportunity Backfires on Fergie

John Bryan, the Duchess of York's financial adviser with whom she was caught snooping topless last year, drove a hard bargain for a set of glamorous pictures of the duchess to run with a story in Harpers and Queen magazine. Too hard. The magazine pulled out of a deal after weeks of haggling over a fee for "legal expenses," according to Vicki Woods, the editor, and set up its own photo session. Woods said Prince Andrew's estranged wife turned up looking "worried and tense with wide, squinted eyes and wet hair scraped back... and a hole in her black opaque tights. And she sounded peevish, protesting that she was the scapegoat for the failed marriage of Prince Charles and Princess Diana. "It's always me who gets the blame for this kind of thing," Woods quoted the duchess as saying. "I've been the scapegoat of the Walese for the past 14 years."

Princess Anne, who married Commander Timothy Laurence in December, is pregnant, the Daily Express reports. She has two children by her first marriage, to Captain Mark Phillips: Peter, 15, and Zara, 12.

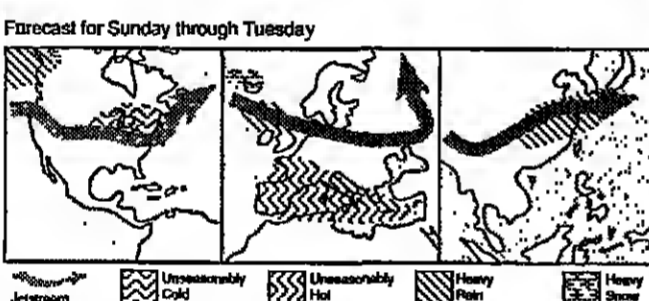
The 22-year marriage of William H. Masters and Virginia Johnson, pioneer researchers into the physiology of sex, is officially over. They separated last year.

Wouldn't you expect Eddie Murphy to stage his wedding at some other remote spot like any other self-respecting superstar? But no. Murphy and the model Nicole Mitchell opted for a black-tie soiree at the Plaza Hotel in New York, mere blocks from the headquarters of every wire service, photo synchro and paparazzi patrol in the Western world. The couple expressed surprise — maybe even shock — that this day had come. Murphy, 31, has long had a reputation as a marriage-baiter. Maybe the director Robert Townsend has the answer: "He got smarter in his old age."

INTERNATIONAL CLASSIFIED Appears on Pages 6, 7 & 17.

WEATHER

Table with 4 columns: Region, Today, Tomorrow, High/Low. Lists weather for Europe, North America, Asia, Africa, Middle East, Latin America, and Oceania.



Forecast for Sunday through Tuesday. Although spring will have started, it will still feel like winter in New York City. Toronto and Chicago Sunday through Tuesday. New York City will be mainly dry, but rain and snow could fall at Chicago and Detroit early next week. Los Angeles will be mostly sunny Sunday.

Table with 4 columns: City, Today, Tomorrow, High/Low. Lists weather for various Asian cities including Bangkok, Hong Kong, Seoul, etc.

Table with 4 columns: City, Today, Tomorrow, High/Low. Lists weather for various African cities including Algiers, Cape Town, Harare, etc.

ABBREVIATED ASSEMBLAGE By Bernice Gordon

ACROSS: 1 Arrivederci, Lem. 5 'La Tulipe'—Dumas. 10 Takes the helm. 15 Nursemaid in Shanghai. 19 Dareddevil. 20 Robbie's daredevil dad. 21 Ranc of grain. 22 Crime—crime. 23 Native of Natal. 24 President without a country. 26 Terminator's partner. 27 Chemical used in film developing. 29 Contradict. 30 Most rigid. 32 "... I was born to be a..." right? 34 Type of eclipse. 36 Put on a new road top. 37 Boyer-Bergman thriller. 40 Narrow furrow. 42 Buffalo hockey team. 45 Gunther subject in 1947. 46 Asian capital. 48 Shin and Zen. 50 Splash hazily.

A crossword puzzle grid with numbered squares and some pre-filled letters. The puzzle is titled 'ABBREVIATED ASSEMBLAGE'.

BOOKS

MR. SUMMER'S STORY

By Patrick Süskind. Translated from the German. By John E. Woods. Illustrations by Sempé. 128 pp. \$17. Knopf.

making it accessible to readers of all ages at different levels. The gaunt Mr. Summer first enters the boy narrator's awareness when the boy is still young enough to adjust reality to his imagination: "I was so light I could fly—no, I'm not lying. I really could fly back then—or at least almost..."

mother's bicycle standing up, and begins piano lessons with Miss Funkel, who teaches him what it means to fail and to be powerless in a world dominated by adults. This piano teacher becomes a representative of German authority at its worst. When the boy is finally able to express his loathing at her abuse Süskind shows the ugliness of a system which insists that the adult is always right.

Solution to Puzzle of March 13-14

A crossword puzzle grid with the solution to the previous puzzle. The puzzle is titled 'Solution to Puzzle of March 13-14'.

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